

Good Business, Good Politics DR-CAFTA is Good Medicine

NICARAGUA hasn't been much in the news lately. Ditto, other Central American countries like Guatemala and El Salvador, where equally savage insurrections and counterinsurrections were once an unending source of bad news. The troubles in Nicaragua became a White House scandal when Iran-Contra and Oliver North were mainstays of the nightly news.

Something changed. In Nicaragua, the voters threw out the Sandinistas, though that bunch is itching to come back. El Salvador held a free election even in the midst of all the violence-much as Iraq just did. In both places, democracy proved not only a goal but a weapon against the kind of anarchy that leads soon enough to tyranny.

It wasn't just free elections but free trade that made the difference in Central America-the difference between democracy and dictatorship, stability and chaos, prosperity and poverty. Much of the credit belongs to CBI, the Caribbean Basic Initiative that opened this country's markets to more Central American products, and those countries to more of ours. Now it's time for the next step, which goes by the unwieldy acronym, DRCAFTA, which stands for the Dominican Republic and Central American Free Trade Agreement. It covers the Dominican Republic, Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua.

Together these countries already make up this country's second largest export market (totaling \$15 billion a year) in Latin America, second only to Mexico. Arkansas alone exported \$40 million worth of goods to these countries in 2003, and business could be even better if tariffs were lowered.

DR-CAFTA needs to be approved by Congress for any number of reasons: So these countries don't continue to lose their share of the American market to behemoths like Communist China with all its cheap, not to say slave, labor.

So countries like Nicaragua, El Salvador and Guatemala can become showcases of democracy that offer an inviting contrast to Fidel Castro's miserable gulag.

So American products can become even better buys in Central America.

And so Arkansas farmers, food processors and manufacturers can export even more rice, poultry, soybean products, cotton and textiles, paper products, clothing, plastic and rubber goods, and transportation equipment to Central America.

This state's congressional delegation, if it hasn't already signed on to support this latest free-trade agreement, needs to. It's good business, it's good for democracy, and it's good for Arkansas. And, oh, yes, DR-CAFTA is bad for dictators.